

REAL ESTATE COMMISSION  
Professional & Vocational Licensing Division  
Department of Regulatory Agencies  
State of Hawaii

MINUTES OF MEETING

Date: Thursday, October 28, 1971

Place: Board Room, Department of Regulatory Agencies  
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodetani, Chairman  
Herbert S. Isonaga, Vice Chairman  
Louis Cannelora, Member  
Mrs. Mary Savio, Member  
John D. Texeira, Member  
William H. C. Young, Member

Sidney Ayabe, Deputy Attorney General  
Yukio Higuchi, Executive Secretary

Dr. Edward Laitila, College of Business Administration, University  
of Hawaii

George Morris, Jr., Executive Vice President, Hawaii Association of  
Real Estate Boards and Honolulu Board of Realtors

Mrs. Iris Riber, Real Estate Association of Hawaii

Absent: Hiromu Yamanaka, Member

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order  
at 1:40 p.m.

Minutes: Upon motion, the minutes of the September 30, 1971 meeting were  
approved as circulated.

Committee Reports: Educational Task Force Committee

Committee Chairman William Young reported that the Educational Task  
Force Committee met with Dr. Laitila and representatives of the  
Honolulu Board of Realtors on October 27, 1971 to discuss the progress  
made on Real Estate Education Project #4 by Dr. Laitila.

Dr. Laitila gave a brief report of the matters discussed at the  
October 27, 1971 meeting.

Chairman Sodetani explicitly advised Dr. Laitila of the importance  
of adhering to the time schedule set out by the Commission.

Dr. Laitila reported that he will submit his proposed rules and  
regulations on education by November 8, 1971. Committee Chairman  
Young announced that his Committee will meet on November 8, 1971  
at the Honolulu Board of Realtors office to discuss the proposed  
rules and regulations to be submitted by Dr. Laitila. The findings  
of the Committee will be reported to the Commission at its November  
meeting.

The Executive Secretary gave a status report on all four educational projects.

Rules and Regulations Committee

Chairman Sodemani deferred this matter until the end of today's agenda.

Business  
Out of  
Minutes:

Clarification of Section 467-8(5), H.R.S. (One year residence)

At the September 30, 1971 meeting, the Commission decided that an applicant for real estate license may sit for the examination prior to completing the one year residence requirement, however, the issuance of the license would be subject to completing the one year residence requirement. Subsequent to the September 30 meeting, all members were mailed a copy of Deputy Attorney General Robert K. Fukuda's opinion dated October 15, 1953.

After some discussion, the Commissioners were in full agreement in reconfirming its September 30, 1971 action.

Request for Funds for December 3-5, 1971 Meeting in Hilo and Kona, Hawaii

Chairman Sodemani reported that he has been advised by the Director of Regulatory Agencies that funds for a neighbor island meeting during this fiscal year is not available.

Rentals of Condominium and Cooperative Apartments by Resident Managers

The Executive Secretary was directed to give the notice drafted by Mr. Louis Cannelora the widest possible circulation and publicity for the period beginning November 1, 1971 through December 31, 1971.

Application of Land - West Development Company

At the September 30, 1971 meeting, the Commission deferred action on this application and directed the Executive Secretary check into the license status of the copartners. It was reported that two of the partners are licensed salesmen and the third partner is not licensed. It was further reported that staff will be writing to the partners to request a signed statement of their duties, responsibilities and participation in the business activity. The Executive Secretary was directed to determine whether the principal broker is not employed as principal broker by another firm, and to report his findings to the Commission at the next meeting.

Investiga-  
tions:

RE-318 Robert Lucas

Mr. Herbert Isonaga reported that the hearing on Robert Lucas has been concluded and it is the hearing officers' recommendation that the charges against Lucas be dropped on the basis that (1) respondent had made no misrepresentation, and (2) there was insufficient evidence that respondent had any knowledge that developer was in financial difficulty and on the verge of bankruptcy prior to the time developer filed for bankruptcy.

Upon motion, the Commission accepted with approval the recommendations of the hearing officers and considered the matter closed.

RE-398 Mrs. Edmund Hedemann

It was reported that Mr. Sidney Ayabe was working with Investigation Branch to get further information, and as soon as Mr. Ayabe is ready to proceed the hearing will be scheduled.

RE-425 Masao Shintani

It was reported that staff has received no indication from complainant's attorney as to when complainant will return to Hawaii. Until such time as complainant returns to the State, Mr. Sidney Ayabe does not wish to proceed with the hearing.

RE-445 R.S.M., Inc.

The Executive Secretary related that Mr. Hiromu Yamanaka had reported that RSM, Inc. has indicated that they will negotiate a settlement with complainant. Mr. Yamanaka will report back to the Commission when settlement has been finalized and when complainant has been satisfied.

RE-447 Parker & Company

Complaint Review Committee Chairman Isonaga reported that his committee found respondent in violation of 467-14(8) and (9), H.R.S. However, his committee recommended that the respondent be given a chance to make proper accounting by returning monies due the seller by the next Commission meeting and if he fails to make proper adjustment, the Commission would schedule a hearing on respondent.

Upon motion, the Commission accepted with approval the recommendation of Mr. Isonaga. The Executive Secretary was directed to discuss the matter with respondent.

RE-445 Russell G. Lewis dba Lewis Realty

Mr. Isonaga reported that his committee found no violation on the part of respondent. The lender may have erred when he called complainant's wife, but the committee felt that seller has the right to direct his buyers to his lender, and broker was only properly following seller's instruction when he advised buyer that the loan had to be processed through Realty Mortgage Corporation.

Upon motion, the Commission accepted with approval the findings of the committee and found no violation. Case dismissed.

RE-455, 456A, 459 Dan Ostrow Construction Company and Barbara Odor Realty

Mr. Isonaga reported that his committee found possible violation of Section 514-29, H.R.S. and Rules 2 and 9 of the Condominium Rules and Regulations by Dan Ostrow, and possible violation of Rules 1.5 and 1.10 of the Commission's rules, Section 514-29, H.R.S., and Rule 2 of the Condominium Rules and Regulations by Mrs. Barbara Odor. The committee recommended the following action:

As to Dan Ostrow Construction Company:

Advise Dan Ostrow that the Commission found him in violation of the above-mentioned law and rules, and warn him that any

future violation will be referred to the Prosecutor's Office for appropriate action.

As to Barbara Odor Realty:

Proceed with formal hearing for possible violations of the above-mentioned.

Upon motion, the Commission accepted with approval the recommendation of Mr. Isonaga's committee.

RE-457A Edward Yamaguchi

Mr. Isonaga recommended that this complaint be dismissed on the basis that his committee found that respondent did not deliberately withhold any information nor cause any eminent damage to complainant.

Upon motion, the Commission decided to accept with approval the findings of the committee and dismissed the complaint on the basis that no violation had been committed. Case dismissed.

RE-458 Alexander Tuszewski

Mr. Isonaga reported that his committee found that much of the problem stems from misunderstanding and poor communications, and on the basis of the Investigator's report they presume that much of the problems have been rectified and resolved and the complainant is now satisfied.

Upon motion, the Commission decided to notify the complainant of the Commission's findings and consider the matter closed.

RE-464 George Ezaki and Mike McCormack

Mr. Isonaga reported that his committee found that there was no violation committed, and the committee felt that respondents had extended themselves beyond their call of duty in discharging their responsibilities to complainant. The committee recommended that this complaint be discharged on the basis that no violation had been committed.

Upon motion, the Commission decided to accept with approval the recommendation of the committee and dismissed the complaint. The Executive Secretary was directed to advise the complainant to seek the help of an attorney in regards to his claim of \$100 for "expenses and headaches".

New Business: Licensing

Corporations

Pyramid Properties, Inc. - Prin. Broker, Fumie Fujii  
1451 S. King St., Ste 509, Honolulu 96814

GDA, Inc., dba Kala Realty - Prin. Broker, Robert L. Bates  
Kona Seaside Shops, Alii Drive  
Box 486, Kailua-Kona, Hi

Partnership:

Action Now Realty - Prin. Broker, Charles E. Wilkie  
305 Royal Hawaiian Avenue, Suite 310, Honolulu 96815

Branch Office:

RSM, Inc., BR-5 - BIC, Jane M. Tegman  
Kamuela Off. Ctr., Rm 5A  
Box 1180, Kamuela, Hawaii

DBA's:

Curtis K. Ohama, Broker  
888 Mililani St., Suite 888  
Honolulu, Hawaii 96813

Charles R. Galen, dba Galaxie Realty  
742 Ala Moana Blvd., Honolulu, Hawaii

Change of Corporation Name:

General Realty Corporation (formerly Portrait of Homes, Inc.)  
745 Fort St., Suite 1500, Hawaii Bldg., Honolulu, Hawaii 96813

Upon motion, the license processing of the above as tentatively authorized by the Licensing Administrator was approved with the exception of GDA, Inc., dba Kala Realty and Action Now Realty.

Approval of the license processing of GDA, Inc. dba Kala Realty will be subject to reconsideration of the Licensing Administrator. Final approval shall be granted upon favorable reconsideration.

The Executive Secretary was directed to determine whether Betsy Christian, who is a partner of Action Now Realty, has complied with the Commission's prior disciplinary order imposed on her. The prior disciplinary order was imposed on her as a result of a formal hearing. The Executive Secretary is to report back to the Commission at the next meeting.

Other New  
Business:

Aaron M. Chaney's letter of complaint of October 15, 1971 against The Acadia Management Corporation, Ltd. was presented to the Commission for consideration, and the Commission requested that the matter be investigated.

Deferred  
Committee  
Report:

Rules and Regulations Committee

Discussion on the proposed rule changes submitted by the Licensing Administrator and Executive Secretary was held and the Commission expressed their feelings and thoughts on each proposal.

The Executive Secretary was requested to mail a list of the proposal to Dr. Laitila, Mr. George Morris, Jr., Mrs. Iris Riber, and Mr. Sidney Ayabe.

Correspon-  
dence:

None

Announcement: Chairman Sodemani announced that he has appointed Mrs. Savio as Vice-Chairman of the Educational Task Force Committee, and Chairman of Syndication Legislation Review Committee. Chairman Sodemani also announced that Mr. Cannelora has been appointed to serve as a member of the Syndication Legislation Review Committee.

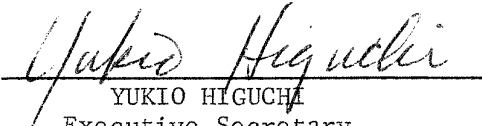
Next Meeting  
Date:

Upon agreement the meeting dates of the next two meeting were set as follows:

- (1) Wednesday, November 10, 1971 at 9:00 a.m.
- (2) Thursday, December 16, 1971 at 1:00 p.m.

Adjournment: There being no further business, Chairman Sodemani adjourned the meeting at 5:00 p.m.

Recorded by:

  
YUKIO HIGUCHI  
Executive Secretary

YH:sw  
11/5/71